Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of)	
Establishment of a Class A Television Service) MM Docket No. 99-	292
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)	

Comments of the Office of Advocacy, U.S. Small Business Administration

The Office of Advocacy of the United States Small Business Administration

("Advocacy") ¹ respectfully submits these Comments to the *Notice of Proposed Rulemaking*("NPRM") in the above-captioned proceeding. ² The Federal Communications Commission

("Commission") proposes rules designed to increase interference protection for Low Power

Television ("LPTV") stations. Advocacy supports the Commission's plan and believes the

proposed "Class A" primary service would introduce necessary stability to LPTV, to the benefit

of the public. Advocacy believes the Commission proposes a reasonable balance between the

interests of full-power television stations and LPTV stations, many of which are small, minority,

and women owned businesses. The Commission should protect LPTV stations from interference

from other users of the broadcast spectrum, without hindering the digital transition and

expansion of full-power stations.

LPTV stations historically have been accorded only secondary interference protection,

¹ Congress established Advocacy in 1976 by Pub. L. No. 94-305 to represent the views and interests of small business within the Federal government. (Codified as amended at 15 U.S.C. §§ 634 a-g, 637.) Advocacy serves as a focal point for concerns regarding the government's policies as they affect small business, develops proposals for changes in Federal agencies' policies, and communicates these proposals to the agencies. (*See* 15 U.S.C. § 634c(1)-(4).) Advocacy also monitors agency compliance with the RFA and reports this to Congress.

² Establishment of a Class A Television Service, Notice of Proposed Rulemaking, MM Docket No. 99-292, FCC 99-257, released September 29, 1999.

requiring them to accept interference from full-power stations. Despite this limitation, LPTV stations fulfill an important role in providing community-oriented programming and provide the only source for local programming in many markets. LPTV stations have managed to flourish despite the serious disadvantages of their uncertain interference status, but the current regulatory climate threatens the existence of many LPTV stations. The transition of full power stations to digital service, with the attendant relocation of LPTV stations, is straining the resources of many LPTV stations, and is creating an uncertain future for many more, particularly in areas where alternate channels are scarce. Providing LPTV stations with greater certainty will increase the access of station owners to capital, which will permit them to broaden their program offerings, grow their industry, and improve service to their communities.

Many LPTV stations are small, minority, and women owned businesses. These stations bring diversity of ownership and diversity of programming to the broadcast industry. And in this era of mega-merger, this diversity is increasingly important. The Commission should preserve small business ownership of LPTV stations by permitting only small businesses to be eligible as Class A stations. This should permit small business LPTV owners increased access to financing, and will preserve the local and community-based nature of LPTV programming.

The Commission's Class A service should protect LPTV stations from harmful interference without deterring full-power digital transition. The Commission should permit reasonable but not indefinite digital expansion. Class A stations should be required to protect prior authorized or proposed full power digital service areas. But full power stations seeking future digital channel allotments should be required to protect existing or proposed Class A stations. And Class A stations should not be subject to displacement from such newcomers. Also, the Commission should take a flexible approach to resolving interference concerns. As the

Commission has pointed out, LPTV stations rarely interfere with full-power stations. Channel swapping should be a last resort, employed only when actual interference between two existing stations cannot otherwise be resolved. There is no reason why full-power digital television cannot coexist with a Class A service that enjoys real interference protection.

Conclusion

LPTV stations have flourished as a source of local and community-oriented programming, despite the capital-access disadvantages associated with secondary status. But LPTV is increasingly threatened by the uncertainty and expense of full-power digital conversion. By establishing Class A primary service for small business LPTV stations and providing these stations with interference protection, the Commission will increase the stability of the service, permit greater access to financing, and assure the continuation of valuable local and community-based programming. This can be done without slowing the conversion of full-power television stations to digital service.

Respectfully submitted,

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December 21, 1999